

ORIGINAL



0000078081

Future Compliance Due within 30 days: 10/1

UTILITY: Morenci Water & Electric Company

DOCKET: E-01049A-97-0677

DECISION # 49576

RULE:

ACTION: File monthly all purchased power invoices and monthly PPAM reports.

DUE: 10/29/2007

PERIOD: MONTHLY

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RECEIVED

2007 OCT 23 A 10:24

AZ CORP COMMISSION  
DOCKET CONTROL

Arizona Corporation Commission  
DOCKETED

OCT 23 2007

DOCKETED BY

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# The Morenci Water & Electric Co.

401 Burro Alley  
P.O. Box 68  
Morenci, AZ 85540  
Telephone (928) 865-2229  
Facsimile (928) 865-5261

October 10, 2007

Arizona Corporation Commission  
Attn: Jerry Anderson  
Utilities Division  
1200 West Washington  
Phoenix, AZ 85007-2992

Re: Purchase Power Fuel Adjuster  
Reports for September 2007

Dear Mr. Anderson:

Please find enclosed forms FA-1, FA-1A, FA-1B, FA-1C, FA-2 FA-3 and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$73,510.16
- Tucson Electric Power in the amount of \$193,452.75
- Tucson Electric Power in the amount of \$193,879.00
- Phelps Dodge Energy Services in the amount of \$5,976,002.40
- Phelps Dodge Energy Services in the amount of \$328,320.00

Please let me know if you have any questions or comments.

Sincerely,

*D.L. True by Roxanne Bolong*

D. L. True  
Superintendent

RB/rb

Enclosures

XC: B. Bozzo, ACC w/encl.  
C. Lee, PDC w/encl  
File PPFA 2007May



*The Energy People*

P.O. Box 711  
Tucson, Arizona 85702  
520-745-7170  
fax 520-770-2003

## INVOICE

**Morenci Water & Electric Company**

Attn: Ms. Roxanne Boling  
P.O. Box 68  
Morenci, AZ 85540

Invoice Date:

**October 1, 2007**

**TEP 0311 904**

Description	Charges	Credits	Amount
Energy purchased by: <b>MWE</b> September 2007			
Energy Charge:			
Market           4,815    MWh @   40.27   /MWh	<b>193,879.00</b>		<b>193,879.00</b>
Loss PAYB to EPE   0       MWh @   0.00   /MWh	<b>0.00</b>		<b>0.00</b>
<b>Amount Due TEP</b>			<b>\$ 193,879.00</b>

**Payments are due the later of the last day of the invoice month or the tenth day after receipt.**

**Amount Due TEP**

**\$ 193,879.00**

Please Wire Transfer Payments to:

**Due Date:**

**October 22, 2007**

Tucson Electric Power Company – Corporate  
**Wells Fargo Bank**  
ABA 121-000-248  
Account Number 495-0029116

Payments not received on or before the  
Due Date are subject to a late charge.

Approved By: \_\_\_\_\_

Checked By: \_\_\_\_\_

Questions? Call Kevin Battaglia at (520) 745-7170 or  
e-mail [Kbattaglia@tep.com](mailto:Kbattaglia@tep.com)



*The Energy People*

P.O. Box 711  
Tucson, Arizona 85702  
520-745-7170  
fax 520-770-2003

## INVOICE

**Morenci Water & Electric Company**

Attn: Ms. Roxanne Boling  
P.O. Box 68  
Morenci, AZ 85540

Invoice Date:

**October 1, 2007**

**TEP 0311 904**

Description	Charges	Credits	Amount
Energy purchased by: <b>MWE</b> September 2007			
Energy Charge: 70,349 MWh @ 0.00 /MWh	\$ -		<b>\$0.00</b>
<b>Transmission Services</b>			
Transmission 70,349 MWh @ 2.47 /MWh	173,762.03		173,762.03
Ancillary Services:			
Scheduling, System Control, and Dispatch Service 0.25 /MWh	17,587.25		17,587.25
Reactive Supply and Voltage Control 0.03 /MWh	2,110.47		2,110.47
Non-Spin capacity 0 MWh @ 0.00 /MWh		0.00	<b>0.00</b>
<b>Amount Due TEP</b>			<b>\$ 193,459.75</b>

**Payments are due the later of the last day of the invoice month or the tenth day after receipt.**

**Amount Due TEP \$ 193,459.75**

Please Wire Transfer Payments to:

**Due Date:**

**October 31, 2007**

Tucson Electric Power Company - Corporate  
**Wells Fargo Bank**  
ABA 121-000-248  
Account Number 495-0029116

Payments not received on or before the  
Due Date are subject to a late charge.

Approved By: \_\_\_\_\_

Checked By: \_\_\_\_\_

Questions? Call Kevin Battaglia at (520) 745-7170 or  
e-mail [Kbattaglia@tep.com](mailto:Kbattaglia@tep.com)



*The Energy People*

P.O. Box 711  
Tucson, Arizona 85702  
520-745-7170  
520-571-4032

**INVOICE**

**Morenci Water & Electric**  
Attn: Dennis True  
P.O. Box 68  
Morenci, AZ 85540

Invoice Date: **October 1, 2007**  
Customer No: **TEP 0311 MWE 904**

Description				Charges	Credits	Amount
Charges in accordance with Service Schedules "A", "B", "C", "D", "E" and "F" of the Control Area Services Agreement dated August 18, 2004.						
<b>Month of: September 2007</b>						
Control Area Services:						
Administrative	236,592	kW @	0.0128 / kW	3,028.37		3,028.37
Reactive Supply & Voltage Control	236,592	kW @	0.1610 / kW	38,091.26		38,091.26
Regulation & Frequency Response	2,648	kW @	12.0850 / kW	32,001.08		32,001.08
Energy Imbalance - Outside Bandwidth:						
Negative Imbalance	36.70	MWh @	100.00 / MWh	3,669.94		3,669.94
Positive Imbalance	(256,702)	MWh @	57.61290 / MWh		15,365.49	(15,365.49)
Spinning Reserve	1,000	kW @	12.0850 / kW	12,085.00		12,085.00
Interruptible Load/Non-Spin	0	kW @	1.9840 / kW	-		-
Energy Imbalance - Inside Bandwidth - Payment-in-Kind:						
Negative Imbalance	1,372	MWh				
Positive Imbalance	(1,418)	MWh				
Net	(46)	MWh				

copy to:

**Phelps Dodge**  
Attn: Choi Lee  
One North Central Avenue  
Phoenix, Arizona 85004

Payments are due the 15th day after invoice receipt

Amount Due TEP \$ **73,510.16**

Please Wire Transfer Payments to:

Due Date: **October 16, 2007**

Tucson Electric Power Company - Corporate  
**Wells Fargo Bank**  
ABA 121-000-248  
Account Number 495-0029116

Payments not received on or before the  
Due Date are subject to a late charge.

Checked By: \_\_\_\_\_

Approved By: \_\_\_\_\_

Questions? Call Kevin Battaglia at (520) 745-7170 or  
e-mail Kbattaglia@tep.com



Phelps Dodge Energy Services  
One North Central Avenue, Phoenix AZ 85004-2306  
(602) 366-8100 Voice  
(602) 366-7315 Facsimilie

## INVOICE

Morenci Water & Electric  
P.O. Box 68  
66 Fairbanks Road  
Morenci, Az. 85540

Invoice Date: October 2,

Description	Charges		Credits	Amount
Energy Purchased by MW&E pursuant to : PDES FERC Electric Tariff, First Revised Volume No. 1, Second Revised Sheet Nos. 1-3				
MWH 145,081	\$ 5,976,002.40	\$0.04119		5,976,00
LEF 73,081	\$ 3,657,602.40	\$0.05005		
PWCC 72,000	\$ 2,318,400.00	\$0.03220		
Current Charges				\$ 5,976,00

Due Date: October 19,

Wire Transfer:

Bank of America  
Dallas, Texas  
ABA # 111-000-012  
Account # 3752029501  
Phelps Dodge Energy Services



**Phelps Dodge Energy Services**  
One North Central Avenue, Phoenix AZ 85004-2306  
(602) 366-8100 Voice  
(602) 366-7315 Facsimile

## INVOICE

Morenci Water & Electric  
P.O. Box 68  
66 Fairbanks Road  
Morenci, Az. 85540

Invoice Date: October 2, 20

Description	Charges	Credits	Amount
Services Provided to MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1, Third Revised Sheet Nos.1-2			
MWH \$/kWh			
72,000 0.004560	\$ 328,320.00		\$ 328,320.0
Current Charges			\$ 328,320.0

Due Date: October 19, 20

**Wire Transfer:**

Bank of America  
Dallas, Texas  
ABA # 111-000-012  
Account # 3752029501  
Phelps Dodge Energy Services

**THE MORENCI WATER & ELECTRIC COMPANY**  
**PURCHASED POWER AND FUEL ADJUSTOR**  
**BANK BALANCE REPORT FA-1**  
**For the Month of September, 2007**

Line			
1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>(269,050)</u>
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ): (= Total Sales - FA-3)	KWH	<u>2,784,847</u>
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>148,971,456</u>
2C.	Special Contract Sales not subject to PPFA per Decision No. 60807 dated Apr 8 1998	KWH	<u>146,186,609</u>
3.	ACTUAL COST OF PURCHASED POWER:	\$	<u>6,714,864</u>
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH	<u>0.045075</u>
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No.54712 Dated 10/10/85	\$/KWH	<u>0.075220</u>
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98, Updated Decision No. 61705 Dated 5/99	\$/KWH	<u>(0.019000)</u>
7.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.67676 dated 03/05	\$/KWH	<u>0.000000</u>
8.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH	<u>0.05622</u>
9.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH	<u>(0.011145)</u>
10.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$	<u>(31,038)</u>
11.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$	<u>0</u>
12.	PREAPPROVED DSM COSTS: From FA-1B	\$	<u>0</u>
13.	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$	<u>(300,088)</u>



THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1A  
ADJUSTMENTS TO BANK BALANCE DETAIL  
For the Month of September, 2007

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

ADJUSTMENTS TO BANK BALANCE:  
(Transfer amount to FA-1, Line 10.)

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\$0.00

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1B  
PREAPPROVED DSM COST DETAIL  
For the Month of September, 2007

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

PROGRAM NAME	APPLICABLE TIME PERIOD	CUMULATIVE COSTS CLAIMED TO DATE	COSTS CLAIMED THIS MONTH
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NONE

TOTAL DSM COSTS CLAIMED THIS MONTH  
(Transfer amount to FA-1, Line 11.)

\$0.00

**THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
BANK BALANCE REPORT FA-1C  
For the Month of September, 2007**

Supplemental report for Decision No. 61298 dated December 1998

Line

1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$	<u>0</u>
2.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	<u>0</u>
3.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98	\$/KWH	<u>0.000000</u>
4.	NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$	<u>0</u>
5.	ENDING BANK BALANCE: (Line 1 + Line 5)	\$	<u>0</u>

**THE MORENCI WATER & ELECTRIC COMPANY**  
**PURCHASED POWER AND FUEL ADJUSTOR**  
**GENERAL INFORMATION FA-2**  
**For the Month of September, 2007**

Line

1. COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY
2. MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540
3. CONTACT PERSON: DENNIS TRUE
4. CONTACT TELEPHONE NUMBER: (928) 865-6219

GENERATION

5.	GAS GENERATION	(\$)		
6.	OIL GENERATION	(\$)		
7.	COAL GENERATION	(\$)		
8.	OTHER GENERATION (Identify)	(\$)		
	TOTAL GENERATION COSTS	(\$)	A.	0

PURCHASED POWER

9.	BASE METER CHARGE	(\$)		
10.	DEMAND CHARGE	(\$)		
11.	ENERGY CHARGE	(\$)		
	TOTAL PURCHASED POWER COSTS	(\$)	B.	<u>6,714,864.21</u>
	(Including Special Contract Per Decision No. 60807)			
12.	TOTAL COST OF GENERATION AND PURCHASED POWER	(\$)		<u>\$6,714,864.21</u>
	(Total of Lines 8A and 11B)			
13.	KWH	(KWH)		
	Generated			0
	Purchased Special Contract (Per Decision No 60807)			<u>146,186,609</u>
	Purchased			<u>3,136,259</u>
	TOTAL KWH GENERATED/PURCHASED			<u>149,322,868</u>
14.	COST PER KWH	(\$/KWH)		<u>0.044969</u>
	(Line 12/Line 13)			
15.	UNACCOUNTED FOR KWH'S			
	Line Loss	(KWH)		<u>917,768</u>
	Own Use	(KWH)		<u>6,776</u>

THE MORENCI WATER & ELECTRIC COMPANY  
PURCHASED POWER AND FUEL ADJUSTOR  
GENERAL INFORMATION FA-3  
For the Month of September, 2007

Line			
1.	<u>SALES (KWH)</u>		
	Residential	<u>1,260,204</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,524,643</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>146,186.609</u>	
	TOTAL SALES (KWH)		<u>148,971,456</u>
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	<u>SALES (\$)</u>		
	Residential	<u>\$138,258.16</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$156,164.82</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>\$6,854,432.93</u>	
	TOTAL SALES (\$)		<u>\$7,148,855.91</u>
3.	<u>NUMBER OF CUSTOMERS**</u>		
	Residential	<u>1,909</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>257</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	<u>1</u>	
	TOTAL CUSTOMERS		<u>2,167</u>

\*\*Use 'Avg' number of customers; Beg # + End # divided by 2.

THE MORENCI WATER & ELECTRIC COMPANY

Miscellaneous Power Purchase Data

Excludes Special Contract Sales

For the Month of September, 2007

	<u>K.W.H.</u>	<u>Percent</u>	<u>K.W.</u>
Total Sales	148,971,456	99.4%	
Total Own Usage	6,776	0.0%	
Total System Losses	917,768	0.6%	
Total Purchased Energy	149,896,000		
System Losses-Rolling annual average		<u>0.18%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed		N/A	
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor		N/A	
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers		N/A	